

Stout, Stuart, McGowen & King, LLP, Present City's Financial Status

Stout, Stuart, McGowen & King, LLP, was engaged by the City Council to perform an independent audit and report to them verbally and in writing. On January 8, 2007 Phil Stuart, Tom McGowen and Patricia Rhodes of the firm presented their report to the City Council for the year-end June 30, 2006. The responsibility of the auditor's is to give an opinion on the City's basic financial statements. This report focuses not only on the fair presentation of the financial statements that belong to the City, but also on the City's internal controls and compliance with legal requirements involving the administration of state and federal awards. The City is required by North Carolina General Statutes Section 159-34 to have an annual independent audit. The audit is conducted annually in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States.

Stout, Stuart, McGowen & King, LLP, was able to express an unqualified opinion of the City's financial statements. An unqualified opinion is the best opinion to receive, meaning that the financial position of the City presents fairly. There are no exceptions that need to be looked at. Tom McGowen stated that the firm feels "very comfortable with the position of the City".

In an effort to maintain high standards for its comprehensive financial reporting the City has received seven years in a row a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. Receiving this award is very prestigious and many municipalities do not even apply. The City will submit to the GFOA once again this year to determine its eligibility for another certificate.

"The City Council and management team is to be commended for their efforts in looking at the City's financial planning long-term, especially as it relates to infrastructure repair," stated Phil Stuart.